

ARLINGTON PUBLIC SCHOOLS

In accordance with the provisions of the Massachusetts General laws, Chapter 30A, Section 20, notice is hereby given for the following meeting of the:

***Arlington School Committee
School Committee Meeting
Friday, May 6, 2016
5:00 PM***

Budget Subcommittee

*Arlington High School
School Committee Room, 6th Floor
869 Massachusetts Avenue
Arlington, MA 02476*

5:00 PM Open Meeting

Public Participation

Discussion of C. Foskett presentation to School Enrollment Task Force

Discussion of any FinCom proposals regarding future budgeting

Discussion of any motions or proposals from members of School Committee

Discussion of expectation of additional school revenue for FY 17

Old business

New business

Adjournment

The listings of matters are those reasonably anticipated by the Chair, which may be discussed at the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.

Stated times and time amounts, listed in parenthesis, are the estimated amount of time for that particular agenda item. Actual times may be shorter or longer depending on the time needed to fully explore the topic.

Submitted by Kirsi Allison-Ampe, MD



Town of Arlington, Massachusetts

Meeting Location

Summary:

Budget Subcommittee

Arlington High School
School Committee Room, 6th Floor
869 Massachusetts Avenue
Arlington, MA 02476

Gibbs vs. Ottoson Analysis

C. Foskett

May 2, 2016

Methodology

- Use total construction costs including options on page 2 of each HMFH report, cost section
- Use Town Manager Chapdelaine report on Gibbs Income after debt service
- Use Superintendent Bodie Report on incremental operating costs at Gibbs
- Assume 4% interest rate
- Assume costs inflate at 3.5%
- Discount all costs back to NPV at 5% rate to be conservative
- Compare NPV of thee alternative

Gibbs Sixth Grade Vs. Ottoson

Gibbs		Ottoson	
Sixth Grade Only		Interest Rate	
Amount	\$ 17,389,656	Inflation Rate	4.0%
Annual Incremental Cost	\$ 739,381	Discount Rate	3.5%
Year Start	2018		5.0%
		Interest Rate	
Amount	\$ 19,883,899	Inflation Rate	4.0%
Annual Incremental Cost	\$ 1,445,716	Discount Rate	3.5%
Year Start	2018		5.0%
		Debt Service	
		Modulars	Lost Income
		Total	
FY Year			
FY2017			
FY2018	\$ 1,005,646	\$ 76,908	\$ 1,082,554
FY2019	\$ 1,005,646	\$ 739,381	\$ 79,600
FY2020	\$ 1,005,646	\$ 765,259	\$ 82,386
FY2021	\$ 1,005,646	\$ 792,043	\$ 85,269
FY2022	\$ 1,005,646	\$ 819,765	\$ 88,254
FY2023	\$ 1,005,646	\$ 848,457	\$ 91,343
FY2024	\$ 1,005,646	\$ 878,153	\$ 94,540
FY2025	\$ 1,005,646	\$ 908,888	\$ 97,848
FY2026	\$ 1,005,646	\$ 940,699	\$ 101,273
FY2027	\$ 1,005,646	\$ 973,624	\$ 104,818
FY2028	\$ 1,005,646	\$ 1,007,700	\$ 108,486
FY2029	\$ 1,005,646	\$ 1,042,970	\$ 112,283
FY2030	\$ 1,005,646	\$ 1,079,474	\$ 116,213
FY2031	\$ 1,005,646	\$ 1,117,255	\$ 120,281
FY2032	\$ 1,005,646	\$ 1,156,359	\$ 124,491
FY2033	\$ 1,005,646	\$ 1,196,832	\$ 128,848
FY2034	\$ 1,005,646	\$ 1,238,721	\$ 133,357
FY2035	\$ 1,005,646	\$ 1,282,076	\$ 138,025
FY2036	\$ 1,005,646	\$ 1,326,949	\$ 142,856
FY2037	\$ 1,005,646	\$ 1,373,392	\$ 147,856
FY2038	\$ 1,005,646	\$ 1,421,461	\$ 153,031
FY2039	\$ 1,005,646	\$ 1,471,212	\$ 158,387
FY2040	\$ 1,005,646	\$ 1,522,705	\$ 163,930
FY2041	\$ 1,005,646	\$ 1,575,999	\$ 169,668
FY2042	\$ 1,005,646	\$ 1,631,159	\$ 175,606
FY2043	\$ 1,005,646	\$ 1,688,250	\$ 181,752
FY2044	\$ 1,005,646	\$ 1,747,338	\$ 188,114
FY2045	\$ 1,005,646	\$ 1,808,495	\$ 194,698
FY2046	\$ 1,005,646	\$ 1,871,793	\$ 201,512
FY2047	\$ 1,005,646	\$ 1,937,305	\$ 208,565
FY2048	\$ 1,005,646	\$ 2,005,111	\$ 215,865
		2018 NPV	\$33,983,362
		FY Year	
FY2017			
FY2018	\$ 1,149,888	\$ 2,500,000	\$ 2,500,000
FY2019	\$ 1,149,888	\$ 1,000,000	\$ 2,149,888
FY2020	\$ 1,149,888	\$ 1,000,000	\$2,149,888
FY2021	\$ 1,149,888		\$1,149,888
FY2022	\$ 1,149,888		\$1,149,888
FY2023	\$ 1,149,888		\$1,149,888
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FY2044	\$ 1,149,888		\$1,149,888
FY2045	\$ 1,149,888		\$1,149,888
FY2046	\$ 1,149,888		\$1,149,888
FY2047	\$ 1,149,888		\$1,149,888
FY2048	\$ 1,149,888		\$1,149,888
		2018 NPV	\$21,227,994

Gibbs Six, Seven, Eight vs. Ottoson

Gibbs		Interest Rate		4.0%			
Amount	\$ 20,000,000	Inflation Rate	3.5%				
Annual Incremental Cost	\$ 1,445,716	Discount Rate	5.0%				
Year Start	2018						
	Debt Service	Incr. Cost	Lost Income	Total			
			\$ 76,908				
FY Year							
FY2017							
FY2018	\$ 1,156,602		\$ 79,600	\$ 1,236,202			
FY2019	\$ 1,156,602	\$ 1,445,716	\$ 82,386	\$ 2,684,704			
FY2020	\$ 1,156,602	\$ 1,496,316	\$ 85,269	\$ 2,738,187			
FY2021	\$ 1,156,602	\$ 1,548,687	\$ 88,254	\$ 2,793,543			
FY2022	\$ 1,156,602	\$ 1,602,891	\$ 91,343	\$ 2,850,836			
FY2023	\$ 1,156,602	\$ 1,658,992	\$ 94,540	\$ 2,910,134			
FY2024	\$ 1,156,602	\$ 1,717,057	\$ 97,848	\$ 2,971,508			
FY2025	\$ 1,156,602	\$ 1,777,154	\$ 101,273	\$ 3,035,029			
FY2026	\$ 1,156,602	\$ 1,839,354	\$ 104,818	\$ 3,100,774			
FY2027	\$ 1,156,602	\$ 1,903,732	\$ 108,486	\$ 3,168,820			
FY2028	\$ 1,156,602	\$ 1,970,363	\$ 112,283	\$ 3,239,248			
FY2029	\$ 1,156,602	\$ 2,039,325	\$ 116,213	\$ 3,312,140			
FY2030	\$ 1,156,602	\$ 2,110,702	\$ 120,281	\$ 3,387,584			
FY2031	\$ 1,156,602	\$ 2,184,576	\$ 124,491	\$ 3,465,669			
FY2032	\$ 1,156,602	\$ 2,261,036	\$ 128,848	\$ 3,546,486			
FY2033	\$ 1,156,602	\$ 2,340,173	\$ 133,357	\$ 3,630,132			
FY2034	\$ 1,156,602	\$ 2,422,079	\$ 138,025	\$ 3,716,706			
FY2035	\$ 1,156,602	\$ 2,506,851	\$ 142,856	\$ 3,806,309			
FY2036	\$ 1,156,602	\$ 2,594,591	\$ 147,856	\$ 3,899,049			
FY2037	\$ 1,156,602	\$ 2,685,402	\$ 153,031	\$ 3,995,035			
FY2038	\$ 1,156,602	\$ 2,779,391	\$ 158,387	\$ 4,094,380			
FY2039	\$ 1,156,602	\$ 2,876,670	\$ 163,930	\$ 4,197,202			
FY2040	\$ 1,156,602	\$ 2,977,353	\$ 169,668	\$ 4,303,623			
FY2041	\$ 1,156,602	\$ 3,081,560	\$ 175,606	\$ 4,413,769			
FY2042	\$ 1,156,602	\$ 3,189,415	\$ 181,752	\$ 4,527,769			
FY2043	\$ 1,156,602	\$ 3,301,045	\$ 188,114	\$ 4,645,760			
FY2044	\$ 1,156,602	\$ 3,416,581	\$ 194,698	\$ 4,767,881			
FY2045	\$ 1,156,602	\$ 3,536,161	\$ 201,512	\$ 4,894,276			
FY2046	\$ 1,156,602	\$ 3,659,927	\$ 208,565	\$ 5,025,094			
FY2047	\$ 1,156,602	\$ 3,788,025	\$ 215,865	\$ 5,160,491			
FY2048	\$ 1,156,602	\$ 3,920,605	\$ 223,420	\$ 5,300,628			
			2018 NPV	\$52,123,724			
Ottoson		Interest Rate		4.0%			
Amount	\$ 19,883,899	Inflation Rate	3.5%				
Annual Incremental Cost	\$ 1,445,716	Discount Rate	5.0%				
Year Start	2018						
	Debt Service	Modulars	Lost Income	Total			
FY Year							
FY2017							
FY2018	\$ 1,149,888	\$ 1,000,000			\$2,500,000		
FY2019	\$ 1,149,888	\$ 1,000,000			\$2,149,888		
FY2020	\$ 1,149,888				\$1,149,888		
FY2021	\$ 1,149,888				\$1,149,888		
FY2022	\$ 1,149,888				\$1,149,888		
FY2023	\$ 1,149,888				\$1,149,888		
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FY2041	\$ 1,149,888				\$1,149,888		
FY2042	\$ 1,149,888				\$1,149,888		
FY2043	\$ 1,149,888				\$1,149,888		
FY2044	\$ 1,149,888				\$1,149,888		
FY2045	\$ 1,149,888				\$1,149,888		
FY2046	\$ 1,149,888				\$1,149,888		
FY2047	\$ 1,149,888				\$1,149,888		
FY2048	\$ 1,149,888				\$1,149,888		

Other Comments

- Sixth only at Gibbs Causes two school transitions for students
- Sixth only programs (especially after school, Spec. Ed.) will be inferior because of resources (Supreme Court: Separate is inherently unequal)
- Additional Operating expenses at Gibbs are NOT debt excluded, and thus will be additive increased enrollment costs within the non-exempt budget
- Town will face additional costs to provide space for services being displaced at Gibbs if Gibbs option is selected

Conclusion

				Extra Gibbs Cost
Gibbs 6	\$33,983,362	Ottoson	\$21,227,994	\$12,755,368

				Extra Gibbs Cost
Gibbs 6,7,8	\$52,123,724	Ottoson	\$21,227,994	\$30,895,730

- The Gibbs Option is between \$12.7 million and \$30.9 million more expensive than the Ottoson Option
- The Gibbs Option additional costs are not debt excludable and pressure the non-exempt budget
- These variable costs pushed the closing of five schools in the 1980's; they cannot be ignored now



Town of Arlington, Massachusetts

Discussion of any FinCom proposals regarding future budgeting

ATTACHMENTS:

Type	File Name	Description
<input type="checkbox"/> Document for Approval	FinCom_vote_Gibbs_050416_(3).pdf	Fincom Vote of 5/4/2016
<input type="checkbox"/> Backup Material	Carman_The_Gibbs_6th_Grade_Option.pdf	Carman recommendation to support Gibbs

FinCom vote of 5/4/16:

VOTED:

That the Town appropriate and borrow the sum of \$2,550,000 for the architectural design, engineering, and project management of the Gibbs School building, located at 41 Foster Street, Arlington, Massachusetts 02474, and authorize the Treasurer with the approval of the Selectmen, to issue any bonds or notes that may be necessary for that purpose, as authorized by General Laws Chapter 44, § 7, or any other general or special law, provided, however, that this appropriation and debt authorization be contingent upon passage of a Proposition 2½ debt exclusion referendum under General Laws Chapter 59, § 21C (k).

There was also a commentary added by Dean recommending that we go with the 6th grade model, but that commentary is apparently not part of the official vote.

Fellow Finance Committee Members:

My recommendation is for the Finance Committee to support bringing the Gibbs Junior High back online as a 6th grade only middle school. I have documented my rationale below.

1950 – 2015

A review of the last 65 years of Arlington school enrollment proves why we, as the financial guardians of the taxpayers, need to approach this challenge both quantitatively and strategically.

A November 15, 2015 Arlington Advocateⁱ column reported that in 1955 Arlington had 6,500 students enrolled in its public schools, representing enrollment growth as the “baby boomer” generation was of school age. Comparing this information to the Capital Planning Committee’s 2008 “Buildings Used by the Town of Arlington”ⁱⁱ report, it becomes clear that the response to this population growth was to open several new K-6 elementary schools, including the Bishop (1950), Dallin (1956), Thompson (1956), and Stratton (1962). Arlington’s school infrastructure peaked with 14 schools – 11 elementary, 2 junior high schools and 1 high school. By the 1980’s, with the school age population in decline, the decision was made to close 4 elementary schools (Locke, Cutter, Crosby and Parmenter), and the smaller of the 2 junior high schools (Gibbs). By the year 2000, when the town was executing on its elementary school rebuild campaign, Arlington’s enrollment had decreased to 4,200ⁱⁱⁱ students, where it was expected to stay over the long-term. These were the enrollment numbers that the elementary school rebuild effort were based. By October 2010, when enrollment had grown to 4,800^{iv} students, the town embarked on the Thompson rebuild project, designing a new elementary school with a targeted enrollment of 380 students even though the Thompson enrollment was 335 at that time. It was expected that the additional 45 students would be brought to Thompson through redistricting. In October 2015, when school enrollment numbers were tabulated, Arlington had an in-district enrollment nearing 5,300^v students, including 425 students at the Thompson, with the updated enrollment projection forecasting that school enrollment could reach 6,000^{vi} students over the next decade. This projection is made before taking into account any major development, including a potential Mugar 40B_u project in East Arlington.

Clearly, it’s difficult to predict the future, so our decision-making must be *strategic* and allow for *flexibility* as school enrollment levels change. While I know it’s difficult to envision school enrollment receding, it will, as seen in Wellesley, MA, where after experiencing a 14.3% increase in population from 2003 to 2014, they are now anticipating an 11.6% decrease in enrollment over the next decade^{vii}.

Why the Gibbs?

If the Finance Committee chooses the Ottoson Middle School addition, it’s endorsing the building of a structure that can only be a middle school. While this may seem fiscally prudent in the year 2016 due to a perceived lower cost, it’s a fundamentally flawed strategy because there’s an underlying assumption that school enrollment will remain consistent for the next 30 years at both a town-wide and elementary school level, even though there’s no evidence to support this and history, as previously stated, proves otherwise. If twenty years from now our town-wide enrollment recedes and Ottoson returns to a range of 950 – 1,050 students, we’re now heating, maintaining, cleaning, and paying for a 500 student wing that is empty.

By contrast, Gibbs provides multiple points of *flexibility*:

- It will immediately provide relief at the middle school level, bringing the Ottoson back within its designed range.
- If in 15 to 30 years, town-wide middle school enrollment decreases to 950 - 1,050 students but East Arlington’s enrollment continues to grow (due to the Mugar development or unforeseen circumstances), the Gibbs could become a K-5 elementary school at relatively limited cost.
- If in five years enrollment starts to grow at the levels of the first McKibbon study^{viii}, the town has the *flexibility* to convert the Gibbs to an elementary school and move the 8th grade up to a newly renovated Arlington High School.
- If enrollment goes down town-wide including East Arlington, the Gibbs could be returned to surplus.

Why the 6th Grade Only at Gibbs

As shown in April 28, 2016 *Incremental Costs for Gibbs Grade Configuration* memo provided by Superintendent Kathleen Bodie (and forwarded to you by Chair Al Tosti), the implementation of a 6-8 Gibbs middle school could add upwards of \$1.5 million in incremental costs to the school budget, versus a 6th grade only Gibbs, where the upward incremental costs would be \$740,000. Even though I believe these costs are overly conservative and likely to come in lower than projected, they still represent a material difference at a time when the school department is indicating that their budget faces significant pressures. The Superintendent's FY2017 budget that was delivered to the Finance Committee in February 2016 contains a sixteen page summary, totaling \$2.4 million, of items that the district wanted to fund but could not due to the budgetary constraints caused by enrollment growth^{ix}. The description of each unfunded item makes it clear that school administration feels each of these items is essential, so it would be reckless for the Finance Committee to endorse a plan that would require the school department to cut existing services by \$1.5 million dollars. Alternatively, with knowledge that the Selectmen are about to run the proverbial "gauntlet" of overrides and debt exclusions between now and June 2020, it would be irresponsible to further strain our long-term operating budget^x by increasing the school budget to cover an incremental cost increase of this size, moving closer the timing of our next override to June 2019, after the 2016 debt exclusions for Minuteman, Gibbs, Thompson, and AHS phase 1, and the June 2018 debt exclusion to rebuild Arlington High School.

Gibbs Incremental Costs

I continue to view the projected incremental costs for a Gibbs 6th grade as a worst case scenario that are likely overstated. As shown in the chart below, the majority of enrollment growth to date has occurred at the elementary school level, requiring additional dollars to be appropriated, and subsequently expended at the elementary schools.

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	
Total: K-5	2,504	2,566	2,588	2,726	2,827	2,868	15%
Total: 6-8	1,051	1,026	1,028	1,054	1,107	1,127	7%
Total: 9-12	1,196	1,218	1,233	1,185	1,217	1,253	5%
Total: PK-12	4,751	4,810	4,849	4,965	5,151	5,248	

Over the next decade, it's projected that all of the net school enrollment growth will be at the middle school and high school level as the large cohorts currently at the elementary school level move up to the middle and high school, and are replaced at the elementary level by equivalent sized (but still large) cohorts.

	2016-17	2017-18	2018-19	2019-20	2020-21	Growth %
Total: K-5	2,914	2,949	2,990	3,008	2,993	
Total: 6-8	1,210	1,256	1,286	1,289	1,308	
Total: 9-12	1,245	1,306	1,360	1,404	1,479	
Total: PK-12	5,369	5,511	5,636	5,701	5,780	
	2021-22	2022-23	2023-24	2024-25	2025-26	Growth %
Total: K-5	2,997	2,982	2,966	2,938	2,914	0%
Total: 6-8	1,348	1,378	1,403	1,394	1,401	16%
Total: 9-12	1,520	1,543	1,556	1,595	1,623	30%
Total: PK-12	5,865	5,903	5,925	5,927	5,938	

From a budgetary perspective, this means that most of the future dollars appropriated to the school department under the Growth Factor formula will be used to add middle and high school services, which should include the incremental cost of \$155,000 to add .5 clusters to 6th grade.

I would also expect the \$294,000 of special education incremental cost to be a conservative estimate. Certain positions will need to be replicated at both schools if daily instruction is required with the student, but other positions such as PT, OT, Speech and Social Worker can be scheduled where the professional works in more than one building during the week, thus eliminating the duplication of cost unless the new dollars are the result of an increase in 6th grade populations, at which point they are an element of the Growth Factor.

Lastly, I would expect the same concept above to reoccur in some of the remaining positions, which currently have an incremental cost of \$290,000.

Projecting Costs over 30 Years

At the Enrollment Task Force Meeting last night, a handout was prepared by the proponent of selecting the Ottoson over Gibbs. Within the packet of information was a 30 year cost analysis for the Ottoson addition, and both Gibbs solutions. While the analysis appears clear and convincing that choosing the Ottoson over Gibbs would save the taxpayer \$12.5 million in net present value dollars, it fails to account for the different variables that I noted earlier. Under each one of those variables, the Gibbs becomes the better option:

- If the Gibbs is returned to surplus after 20 years, the entire incremental cost and lost income columns for Gibbs are removed, but you would now need to add incremental costs to maintain a vacant Ottoson wing (custodial, heating, maintenance) to that analysis, which would tip the economics toward choosing the Gibbs.
- If enrollment moved in a direction we were not expecting and we needed to repurpose the Gibbs as a different building (another East Arlington elementary school), it would be much more cost effective than the Ottoson scenario.

ⁱ <http://arlington.wickedlocal.com/article/20151115/news/151117216>

ⁱⁱ <http://www.arlingtonma.gov/home/showdocument?id=10338>

ⁱⁱⁱ <http://www.arlington.k12.ma.us/administration/redistricting/pdfs/redistrictingenrollprojcapacityanalysispres12-13-11.pdf>.

^{iv} Arlington Public Schools Official Enrollment Report as of 10/1/2010

^v <https://www.arlingtonma.gov/home/showdocument?id=26967>

^{vi} <http://www.arlingtonma.gov/home/showdocument?id=28616>

^{vii} <https://www.arlingtonma.gov/home/showdocument?id=27003>

^{viii} <http://www.arlingtonma.gov/home/showdocument?id=26965>

^{ix} <http://www.arlington.k12.ma.us/administration/budget/fy17/fy17superproposedbudget02-11-16.pdf>

^x <http://www.arlingtonma.gov/home/showdocument?id=29675>



Town of Arlington, Massachusetts

Discussion of any motions or proposals from members of School Committee

ATTACHMENTS:

Type	File Name	Description
<input checked="" type="checkbox"/> Document for Approval	J_Susse_Proposed_Motion_for_SC_050916_(1)_1.pdf	J Susse Proposed Motion

Motion from Jennifer Susse:

Moved that the Arlington School Committee endorses the School Enrollment Task Force's vote on May 2, 2016 to accommodate the growth in middle school-aged enrollment in Town by repurposing the Gibbs school as a middle school. Taking into account both educational and financial considerations, the Committee further moves that, conditioned upon a favorable vote of the Town's voters on June 14, 2016, to direct the Superintendent of Schools to take all appropriate steps to configure the future Gibbs Middle School as a Town-wide 6th Grade facility, with a Town-wide 7th-8th grade configuration at the Ottoson Middle School.

The School Committee endeavors to keep the incremental costs of staffing the Gibbs 6th grade option from significantly impacting the existing long-range financial plan by asking that any Ch. 70 increases that exceed current projections for Ch. 70 in the long range plan be directed to funding Gibbs.

We endeavor to commit to this agreement until the Town commits to a new Long Range Plan as part of the next Proposition 2 1/2 Override request to the voters of Arlington.



Town of Arlington, Massachusetts

Discussion of expectation of additional school revenue for FY 17

ATTACHMENTS:

Type	File Name	Description
□ Budget Document	KAAGibbs_vs_Ottoson_Costs_w_OMS_incremental.pdf	KAA Gibbs vs Ottoson Costs w OMS incremental
□ Budget Document	KAAGibbs_vs_Ottoson_Costs_without_Gibbs_costs.pdf	KAA Gibbs vs Ottoson Costs without Gibbs costs
□ Budget Document	KAAGibbs_vs_Ottoson_Costs_overall.pdf	KAA Gibbs vs Ottoson Costs overall
□ Budget Document	KAAGibbs_upcoming_capital_cost_breakdown.pdf	KAA Gibbs upcoming capital cost breakdown

Gibbs								
6th grade only					Interest Rate	4.0%		
Amount	\$19,900,000				Inflation Rate	3.5%		
Annual incremental cost	see below				Discount Rate	5.0%		
Year start	2018					0		
	Debt service	FY2019 incremental costs	Additional OMS costs, as enrollment increases	Cumulative additional OMS costs	Gibbs v OMS differential in 2019 dollars	Gibbs vs OMS differential, inflated at 3.5%	Lost Gibbs income, inflated at 3.5%	Total cost
FY2017								0
FY2018	\$1,150,819						76,908	1,227,727
FY2019	\$1,150,819	\$739,381	\$109,560	\$109,560	629,821	629,821	79,600	1,860,240
FY2020	\$1,150,819	\$739,381	\$154,676	\$264,236	475,145	491,775	82,386	1,724,980
FY2021	\$1,150,819	\$739,381	\$61,870	\$326,106	413,275	442,711	85,269	1,678,798
FY2022	\$1,150,819	\$739,381	\$255,469	\$581,575	157,806	174,962	88,254	1,414,035
FY2023	\$1,150,819	\$739,381	\$19,335	\$600,910	138,471	158,899	91,343	1,401,061
FY2024	\$1,150,819	\$739,381		\$600,910	138,471	164,460	94,540	1,409,819
FY2025	\$1,150,819	\$739,381		\$600,910	138,471	170,216	97,848	1,418,883
FY2026	\$1,150,819	\$739,381		\$600,910	138,471	176,174	101,273	1,428,266
FY2027	\$1,150,819	\$739,381		\$600,910	138,471	182,340	104,818	1,437,977
FY2028	\$1,150,819	\$739,381		\$600,910	138,471	188,722	108,486	1,448,027
FY2029	\$1,150,819	\$739,381		\$600,910	138,471	195,327	112,283	1,458,429
FY2030	\$1,150,819	\$739,381		\$600,910	138,471	202,163	116,213	1,469,195
FY2031	\$1,150,819	\$739,381		\$600,910	138,471	209,239	120,281	1,480,339
FY2032	\$1,150,819	\$739,381		\$600,910	138,471	216,563	124,491	1,491,873
FY2033	\$1,150,819	\$739,381		\$600,910	138,471	224,142	128,848	1,503,809
FY2034	\$1,150,819	\$739,381		\$600,910	138,471	231,987	133,357	1,516,163
FY2035	\$1,150,819	\$739,381		\$600,910	138,471	240,107	138,025	1,528,951
FY2036	\$1,150,819	\$739,381		\$600,910	138,471	248,511	142,856	1,542,185
FY2037	\$1,150,819	\$739,381		\$600,910	138,471	257,208	147,856	1,555,883
FY2038	\$1,150,819	\$739,381		\$600,910	138,471	266,211	153,031	1,570,061
FY2039	\$1,150,819	\$739,381		\$600,910	138,471	275,528	158,387	1,584,734
FY2040	\$1,150,819	\$739,381		\$600,910	138,471	285,172	163,930	1,599,921
FY2041	\$1,150,819	\$739,381		\$600,910	138,471	295,153	169,668	1,615,640
FY2042	\$1,150,819	\$739,381		\$600,910	138,471	305,483	175,606	1,631,908
FY2043	\$1,150,819	\$739,381		\$600,910	138,471	316,175	181,752	1,648,746
FY2044	\$1,150,819	\$739,381		\$600,910	138,471	327,241	188,114	1,666,174
FY2045	\$1,150,819	\$739,381		\$600,910	138,471	338,694	194,698	1,684,211
FY2046	\$1,150,819	\$739,381		\$600,910	138,471	350,549	201,512	1,702,880
FY2047	\$1,150,819	\$739,381		\$600,910	138,471	362,818	208,565	1,722,202
FY2048	\$1,150,819	\$739,381		\$600,910	138,471	375,516	215,865	1,742,200
							2018 NPV	\$23,877,336

Gibbs		Interest Rate		4.0%
6th grade only	Amount	\$19,900,000	Inflation Rate	3.5%
Annual incremental cost	see below		Discount Rate	5.0%
Year start	2018		0	
			Gibbs vs OMS differential, inflated at 3.5%	Total cost excluding Gibbs income
	Debt service	Gibbs v OMS differential in 2019 dollars		\$0
FY2017				\$0
FY2018	\$1,150,819			\$1,150,819
FY2019	\$1,150,819	629,821	629,821	\$1,780,640
FY2020	\$1,150,819	475,145	491,775	\$1,642,594
FY2021	\$1,150,819	413,275	442,711	\$1,593,529
FY2022	\$1,150,819	157,806	174,962	\$1,325,781
FY2023	\$1,150,819	138,471	158,899	\$1,309,718
FY2024	\$1,150,819	138,471	164,460	\$1,315,279
FY2025	\$1,150,819	138,471	170,216	\$1,321,035
FY2026	\$1,150,819	138,471	176,174	\$1,326,993
FY2027	\$1,150,819	138,471	182,340	\$1,333,159
FY2028	\$1,150,819	138,471	188,722	\$1,339,541
FY2029	\$1,150,819	138,471	195,327	\$1,346,146
FY2030	\$1,150,819	138,471	202,163	\$1,352,982
FY2031	\$1,150,819	138,471	209,239	\$1,360,058
FY2032	\$1,150,819	138,471	216,563	\$1,367,382
FY2033	\$1,150,819	138,471	224,142	\$1,374,961
FY2034	\$1,150,819	138,471	231,987	\$1,382,806
FY2035	\$1,150,819	138,471	240,107	\$1,390,926
FY2036	\$1,150,819	138,471	248,511	\$1,399,329
FY2037	\$1,150,819	138,471	257,208	\$1,408,027
FY2038	\$1,150,819	138,471	266,211	\$1,417,030
FY2039	\$1,150,819	138,471	275,528	\$1,426,347
FY2040	\$1,150,819	138,471	285,172	\$1,435,991
FY2041	\$1,150,819	138,471	295,153	\$1,445,972
FY2042	\$1,150,819	138,471	305,483	\$1,456,302
FY2043	\$1,150,819	138,471	316,175	\$1,466,994
FY2044	\$1,150,819	138,471	327,241	\$1,478,060
FY2045	\$1,150,819	138,471	338,694	\$1,489,513
FY2046	\$1,150,819	138,471	350,549	\$1,501,368
FY2047	\$1,150,819	138,471	362,818	\$1,513,637
FY2048	\$1,150,819	138,471	375,516	\$1,526,335
		2018 NPV		\$22,032,318

Ottoson		Interest Rate		4.0%
Amount		\$22,800,000	Inflation Rate	3.5%
Year start	2018		Discount Rate	5.0%
				Total costs excluding Gibbs capital projects
	Debt service			
FY2017				\$2,500,000
FY2018	\$1,318,526			\$2,318,526
FY2019	\$1,318,526			\$2,318,526
FY2020	\$1,318,526			\$1,318,526
FY2021	\$1,318,526			\$1,318,526
FY2022	\$1,318,526			\$1,318,526
FY2023	\$1,318,526			\$1,318,526
FY2024	\$1,318,526			\$1,318,526
FY2025	\$1,318,526			\$1,318,526
FY2026	\$1,318,526			\$1,318,526
FY2027	\$1,318,526			\$1,318,526
FY2028	\$1,318,526			\$1,318,526
FY2029	\$1,318,526			\$1,318,526
FY2030	\$1,318,526			\$1,318,526
FY2031	\$1,318,526			\$1,318,526
FY2032	\$1,318,526			\$1,318,526
FY2033	\$1,318,526			\$1,318,526
FY2034	\$1,318,526			\$1,318,526
FY2035	\$1,318,526			\$1,318,526
FY2036	\$1,318,526			\$1,318,526
FY2037	\$1,318,526			\$1,318,526
FY2038	\$1,318,526			\$1,318,526
FY2039	\$1,318,526			\$1,318,526
FY2040	\$1,318,526			\$1,318,526
FY2041	\$1,318,526			\$1,318,526
FY2042	\$1,318,526			\$1,318,526
FY2043	\$1,318,526			\$1,318,526
FY2044	\$1,318,526			\$1,318,526
FY2045	\$1,318,526			\$1,318,526
FY2046	\$1,318,526			\$1,318,526
FY2047	\$1,318,526			\$1,318,526
FY2048	\$1,318,526			\$1,318,526
		2018 NPV		\$23,732,324

Gibbs		Interest Rate			4.0%
6th grade only	Amount	\$19,900,000	Inflation Rate	3.5%	
Annual incremental cost	see below		Discount Rate	5.0%	
Year start	2018			0	
			Gibbs vs OMS	Lost Gibbs	
		Gibbs v OMS	differential, inflated at	income, inflated at	
	Debt service	2019 dollars	3.5%	3.5%	Total cost
FY2017					0
FY2018	\$1,150,819			76,908	1,227,727
FY2019	\$1,150,819	629,821	629,821	79,600	1,860,240
FY2020	\$1,150,819	475,145	491,775	82,386	1,724,980
FY2021	\$1,150,819	413,275	442,711	85,269	1,678,798
FY2022	\$1,150,819	157,806	174,962	88,254	1,414,035
FY2023	\$1,150,819	138,471	158,899	91,343	1,401,061
FY2024	\$1,150,819	138,471	164,460	94,540	1,409,819
FY2025	\$1,150,819	138,471	170,216	97,848	1,418,883
FY2026	\$1,150,819	138,471	176,174	101,273	1,428,266
FY2027	\$1,150,819	138,471	182,340	104,818	1,437,977
FY2028	\$1,150,819	138,471	188,722	108,486	1,448,027
FY2029	\$1,150,819	138,471	195,327	112,283	1,458,429
FY2030	\$1,150,819	138,471	202,163	116,213	1,469,195
FY2031	\$1,150,819	138,471	209,239	120,281	1,480,339
FY2032	\$1,150,819	138,471	216,563	124,491	1,491,873
FY2033	\$1,150,819	138,471	224,142	128,848	1,503,809
FY2034	\$1,150,819	138,471	231,987	133,357	1,516,163
FY2035	\$1,150,819	138,471	240,107	138,025	1,528,951
FY2036	\$1,150,819	138,471	248,511	142,856	1,542,185
FY2037	\$1,150,819	138,471	257,208	147,856	1,555,883
FY2038	\$1,150,819	138,471	266,211	153,031	1,570,061
FY2039	\$1,150,819	138,471	275,528	158,387	1,584,734
FY2040	\$1,150,819	138,471	285,172	163,930	1,599,921
FY2041	\$1,150,819	138,471	295,153	169,668	1,615,640
FY2042	\$1,150,819	138,471	305,483	175,606	1,631,908
FY2043	\$1,150,819	138,471	316,175	181,752	1,648,746
FY2044	\$1,150,819	138,471	327,241	188,114	1,666,174
FY2045	\$1,150,819	138,471	338,694	194,698	1,684,211
FY2046	\$1,150,819	138,471	350,549	201,512	1,702,880
FY2047	\$1,150,819	138,471	362,818	208,565	1,722,202
FY2048	\$1,150,819	138,471	375,516	215,865	1,742,200

2018 NPV **\$23,877,336**

Ottoson		Interest Rate			4.0%
Amount	Year start	\$22,800,000	Inflation Rate	3.5%	Discount Rate
	2018				
					Gibbs capital costs
					Total cost
	Debt service				
FY2017					\$2,500,000
FY2018					\$2,318,526
FY2019					\$2,378,526
FY2020					\$1,318,526
FY2021					\$1,318,526
FY2022					192,061
FY2023					\$1,318,526
FY2024					\$1,318,526
FY2025					\$1,318,526
FY2026					\$1,318,526
FY2027					549,913
FY2028					\$1,868,439
FY2029					536,165
FY2030					\$1,840,944
FY2031					522,417
FY2032					\$1,827,196
FY2033					494,922
FY2034					\$1,813,448
FY2035					768,541
FY2036					\$2,087,067
FY2037					467,426
FY2038					\$1,785,952
FY2039					453,678
FY2040					\$1,772,205
FY2041					439,931
FY2042					\$1,758,457
FY2043					426,183
FY2044					\$1,744,709
FY2045					412,435
FY2046					\$1,730,961
FY2047					398,687
FY2048					\$1,717,213
					384,939
					\$1,703,465
					371,191
					\$1,689,718
					357,444
					\$1,675,970
					345,720
					\$1,663,250
					334,000
					\$1,650,970
					322,760
					\$1,638,526
					311,520
					\$1,626,180
					300,240
					\$1,613,850
					288,960
					\$1,601,520
					277,680
					\$1,589,180
					266,400
					\$1,576,850
					255,120
					\$1,564,520
					243,840
					\$1,552,180
					232,560
					\$1,540,850
					221,280
					\$1,528,520
					210,000
					\$1,516,180
					198,720
					\$1,503,850
					187,440
					\$1,491,520
					176,160
					\$1,479,180
					164,880
					\$1,466,850
					153,600
					\$1,454,520
					142,320
					\$1,442,180
					131,040
					\$1,429,850
					120,760
					\$1,417,520
					109,480
					\$1,405,180
					98,200
					\$1,392,850
					86,920
					\$1,380,520
					75,640
					\$1,368,180
					64,360
					\$1,355,850
					53,080
					\$1,343,520
					41,800
					\$1,331,180
					30,520
					\$1,318,850
					19,240
					\$1,306,520
					8,960
					\$1,294,180
					7,680
					\$1,281,850
					6,400
					\$1,269,520
					5,120
					\$1,257,180
					3,840
					\$1,244,850
					2,560
					\$1,232,520
					1,280
					\$1,220,180
					0

2018 NPV **\$23,877,336**

2018 NPV **\$25,880,589**

Estimating upcoming capital costs for Gibbs

	Total cost per period	Debt service or actual?	Inflate to year	Costs adjusted for inflation	Debt service for \$5,155,436: 15 year, 4%, level principal			
FY2022 cost:	\$173,228 actual		FY2022	192,061	Year	Amount	Year	Amount
FY2027 cost:	\$3,915,098 debt service		FY2027	5,155,436	1	549,913	9	439,931
FY2032 cost:	\$183,744 actual		FY2032	287,367	2	536,165	10	426,183
					3	522,417	11	412,435
					4	508,670	12	398,687
					5	494,922	13	384,939
					6	481,174	14	371,191
					7	467,426	15	357,444
					8	453,678		
Description Reference	Description	PMC estimated cost from report	My estimate (as fraction of PMC)	My estimated cost	How many years down line?	When cost incurred?	Comments	
A1030	Repair front entry steps	30,000	50%	15,000	10	FY2027	Assumed we would find cheaper method	
B1010	Rebuild existing ramp in classroom wing	25,000	80%	20,000	10	FY2027	Needed for ADA accessibility	
	Reframing at openings	10,000	100%	10,000	10	FY2027	Needed for ADA accessibility	
	New penetrations to existing structure	20,000	100%	10,000	10	FY2027	Needed for ADA accessibility	
B2010	Repoint/repair brick	17,500	90%	15,750	5	FY2022	Assumed we would find cheaper method	
	Repair masonry site walls at 1973 entry	10,000	90%	9,000	5	FY2022	Assumed we would find cheaper method	
	Repair rusted steel lintels etc	56,000	90%	50,400	5	FY2022	Assumed we would find cheaper method	
	Repair spalled/corroded concrete wall al	9,600	90%	8,640	5	FY2022	Assumed we would find cheaper method	
	Repair brick chimney	5,000	90%	4,500	5	FY2022	Assumed we would find cheaper method	
	Remove and replace water damaged sec	35,868	90%	32,281	5	FY2022	Assumed we would find cheaper method	
B2020	Replace existing curtainwall with new at	95,769	25%	23,942	5	FY2022	Assumed we would repair rather than replace	
	Replace existing entrance sloped curtain	83,200	25%	20,800	10	FY2027	Assumed we would repair rather than replace	
	Replace existing windows with new 1973	82,800	25%	20,700	10	FY2027	Assumed we would repair rather than replace	
	Replace existing sashes to 1928 building	3,900	100%	3,900	5	FY2022		
	Louver	5,000	100%	5,000	5	FY2022		
	Backer rod and double sealant	6,795	100%	6,795	5	FY2022		
	Wood block at openings	3,020	100%	3,020	5	FY2022		

B2030	New glazed aluminum entrance doors	48,000	25%	12,000	10	FY2027	Assumed we would find cheaper method
	New glazed aluminum entrance doors	12,000	25%	3,000	10	FY2027	Assumed we would find cheaper method
	Auto opening	8,000	25%	2,000	10	FY2027	Assumed we would find cheaper method
	HM door and frame including hardware	6,000	25%	1,500	10	FY2027	Assumed we would find cheaper method
	HM door and frame including hardware	4,000	25%	1,000	10	FY2027	Assumed we would find cheaper method
	Backer rod and double sealant	2,178	100%	2,178	10	FY2027	
	Wood block at openings	968	100%	968	10	FY2027	
B3010	Sloped roof: replace existing asphalt roof	149,500		0	5	FY2022	Assumed is \$60,000 roof in FY19 Capital plan
	New gutters and downspouts	20,000	50%	10,000	5	FY2022	Assumed we would find cheaper method
C1020	Allowance for new doors and to replace	345,000	10%	34,500	10	FY2027	Assumed we would find cheaper method
C1030	? Toilets?			0			
C2010	Stair construction: new egress stair	32,000	90%	28,800	10	FY2027	Needed for ADA accessibility
C2020	High performance coating to new and existing exterior surfaces	27,000	90%	24,300	10	FY2027	Assumed we would find cheaper method
	Rubber tile - stair landings	9,000	90%	8,100	10	FY2027	Assumed we would find cheaper method
	Rubber tile - treads & risers	20,585	90%	18,527	10	FY2027	Assumed we would find cheaper method
C3010	Paint to walls	172,500	25%	43,125	10	FY2027	Assumed we would paint only some areas
C3020	Floor finishes?			0			
C3030	Ceiling finishes: ACT 2x2	265,775	25%	66,444	15	FY2032	Assumed we would repair rather than replace
D10	Replace elevator cab & mechanism	90,000	80%	72,000	10	FY2027	Assumed we would find cheaper method
	New lift	25,000	80%	20,000	10	FY2027	Assumed we would find cheaper method
D20	New plumbing	1,173,000	10%	117,300	15	FY2032	Assumed we would repair rather than replace
D30	HVAC: new heating and ventilation system	2,346,000	90%	2,111,400	10	FY2027	Assumed we would find cheaper method
D40	New sprinkler system	414,000	80%	331,200	10	FY2027	Assumed we would find cheaper method
D5010	Complete electrical systems	2,208,000	50%	1,104,000	10	FY2027	Assumed we would repair rather than replace